AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for the

Rejuvenation of 15,290 feet of Underground Electric Cable in English Oaks

Phase One (\$145,000) (EUD)

MEETING DATE: April 7,2010

PREPARED BY: **Interim Electric Utility Director**

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for the

rejuvenation of 15,290 feet of underground electric cable in English

Oaks Phase One in the amount of \$145,000.

BACKGROUND INFORMATION: A number of distribution circuits with direct-buried underground

cables have more than 30 years of service and are wearing out. There have been a number of failures in direct-buried cable due to

insulation weakness, which have led to power outages.

To ensure continued reliable service, it is prudent to replace aged direct-buried cable. Direct-buried cable is more expensive and difficult to replace than cable in conduit. Because of shorter life and much more expensive replacement, we no longer bury cable directly, but rather in conduit. Replacing direct-buried cable requires digging trenches, laying down new conduits, and pulling in new cables.

Last year, the Electric Utility Department tried rejuvenating the insulation of direct-buried cables in the Royal Crest Subdivision and it proved to be a cost-effective option. Rejuvenation involves injecting old cable with a product called Ultrinium 732 at high pressure, which is expected to extend the life of the cable for 40 or more years. The estimated cost of replacement was approximately \$300,000 and the actual cost of cable rejuvenationwas approximately \$90,000, saving more than 50 percent of project cost. English Oaks Subdivision is served by aged direct-buried cable. English Oaks Phase One is proposed for the second cable rejuvenation project.

FISCAL IMPACT: Estimated cost of rejuvenation is \$145,000. In the alternative, the estimated cost

for replacement would be \$400,000. The estimated savings for rejuvenation over

replacement is approximately \$255,000.

FUNDING: 160651.7713

Kenneth A. Weisel

Interim Electric Utility Director

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APPROVED: Blair King, City Manager